VZCZCXRO8114 RR RUEHMA RUEHPA DE RUEHCO #1187 3401534 ZNR UUUUU ZZH R 061534Z DEC 06 FM AMEMBASSY COTONOU TO RUEHC/SECSTATE WASHDC 9067 INFO RUEHZK/ECOWAS COLLECTIVE RUEHLMC/MILLENNIUM CHALLENGE CORP RUEHFR/AMEMBASSY PARIS 1018 RUEHDK/AMEMBASSY DAKAR 1300 RUEHRC/DEPT OF AGRICULTURE WASHDC

UNCLAS COTONOU 001187

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DEPT FOR AF/EPS: KRZYWDA, AF/W: BANKS, EB/TPP/ABT: LERSTEN DEPT PASS TO COMMERCE: MD'ANDREA AND USTR: AHEYLIGER/LAGAMA USDA FOR FAS/FAA HAGER, FAS/OCRA CHESLEY, FAS/OCBD EVANS PARIS FOR D'ELIA DAKAR FOR FAS (RHANSON)

E.O. 12958: N/A

TAGS: ECON EAGR EINV PGOV PINR BN SUBJECT: COTTON PRICE FOR 2006-2007 CAMPAIGN SET

REF: A) COTONOU 1176; B) COTONOU 1167

- Yesterday President Yayi personally announced to cotton farmers that the national purchase price for the 2006-2007 season would be 0.35 USD per kilogram. This is the price that farmers should receive from the Interprofessional Cotton Association (AIC). According to the national schedule for cotton production, transportation of raw cotton from the fields to ginning facilities will begin on December 8. The final cotton purchase price agreed was the outcome of Yayi's recent meetings with cotton growers and ginners. In Burkina Faso and Mali, Togo, and Cote d'Ivoire the national purchase prices for cotton have been set at approximately 0.33 USD, 0.32 USD, and 0.28 USD per kilogram, respectively.
- $\P 2$. In the wake of last week's replacement of the Minister of Agriculture (REF A), President Yayi took the opportunity to ask cotton growers to forget recent pest-related difficulties (REF B) and reassured them he would personally oversee the 2007-2008 cotton campaign. Specifically, President Yayi told cotton growers that a request for proposals for the purchasing and import of agricultural inputs (pesticides, fertilizer) for next year would be available to the public by the end of this week. Yayi further stated that, during the 2007-2008 cotton season, the price of cotton would be fixed three months prior to harvesting.

BROWN